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REAGAN OFFICIALS TO QUIT AND OPEN INTELLIGENCE FIRM  
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An intelligence expert in the Reagan administration said Friday he and the president's science adviser will resign to establish a company that helps international corporations build their own intelligence systems.

Herbert Meyer, vice chairman of the National Intelligence Council, told United Press International he will join with George Keyworth II, science adviser to President Reagan, in operating the firm. Both men have been involved in the development of the president's highly touted Strategic Defense Initiative, the "Star Wars" space shield.

They plan to resign before the new year.

Keyworth, Meyer International, the name chosen for the firm, will embark on an uncharted journey and "if it succeeds we've invented a new industry," Meyer said.

Meyer, who is the former special assistant to Central Intelligence Agency Director William Casey, denied the new venture represents a conflict of interest for either man. Keyworth's official title is director of the White House Office of Science and Technology Policy.

"There's no conflict whatever," said Meyer, in a telephone interview. "Also keep in mind we are not selling information but the design and information system, which is a very different thing."

Meyer said he did not know if President Reagan has been informed of their plans, but said "the proper people know."

The new firm will design and install intelligence systems for its corporate clients, who Meyer refuses to name. He said the systems will enable chief executives systematically to monitor trends that affect a company's present or potential markets, its competition and its own operations.

Meyer, 39, said the idea for the company came when he and Keyworth, 45, recognized that, although they "came to Washington with very different backgrounds," they could help corporations abandon their piecemeal approach and establish formal intelligence structures.

"We're living in an age now when the successful multinational corporation must compete globally," Meyer said. "To compete globally, corporations must have access to organized, evaluated information. ... They need to be able to monitor those scientific technological, economic and political trends that affect the markets in countries in which they operate."

"Until now corporations have not generally organized to assure that they receive the information they need. KMI will be in the business of helping corporations to organize to meet this need."

"We see that as a key to effective business in the 1990s. If U.S. corporations are going to flourish, and they must flourish if this country is going to survive, they must compete globally. And information is the key to that."

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'There is no company that does this now. It doesn't exist. It absolutely does not exist. And we decided to go to it.'

Before coming to Washington, Keyworth was director of the Physics Division at Los Alamos Scientific Laboratory for 13 years.

The National Intelligence Council is based at CIA headquarters in Langley, Va., and Meyer is responsible for production of all U.S. National Intelligence Estimates and Special Intelligence Estimates from 1983 forward.

Meyer admits 'one always ventures forward with some apprehension - there's no other way to go' but insisted 'there's a need and we think we can be of some help in filling that need and that's the essence of entrepreneurship.'

'If we look at what this country has been doing in the last few years -- we've been rebuilding, revitalizing, reorienting ourselves to compete globally and to win. We see this new venture as a small part of that effort,' he concluded.